

ITEM:

TO: COUNCIL

REPORT OF THE CHIEF FINANCIAL OFFICER

QUARTERLY FINANCIAL REPORT MARCH 2009

PURPOSE OF THE REPORT

The purpose is to comply with the financial reporting requirements per the Municipal Finance Management Act.

STATUTORY/LEGAL REQUIREMENT

Section 52(d) of the Municipal Finance Management Act reads as follows:

“The Mayor of the municipality must, within 30 days of the end of each quarter, submit to the council on the implementation of the budget and the financial state of affairs of the municipality.”

BACKGROUND, EXPOSITION, FACTS AND PROPOSALS

The report is discussed per annexures A, B, C, D, E, F, G and H. Annexure A and B are based on a baseline as determined on the budget projections in the 2008/09 SDBIP. Annexure C refers to Council's approved IDP and the expenditure incurred for the period ending 31 March 2009. Annexure D refers to progress on revenue, operating expenditure and expenditure per Council's approved IDP in relation to the approved SDBIP. Annexure E refers to projects rolled-over from the previous financial years. Annexure F refers to Council's investment portfolio. Annexure G and H refers to adjustments that has been made to the SDBIP's cash flow projection and capital works plan respectively in accordance with the changes that were approved by Council in the Adjustment Budget 2008/09 on 31 March 2009.

FINANCIAL REPORTING

DEBTORS

The outstanding debtors as at 31 March 2009 are as follows:

RSC levies

NAME	MARCH 2009	DEC 2008	SEP 2008
Current	Nil	Nil	Nil
30 – 60 days	Nil	Nil	Nil
60 – 90 days	Nil	Nil	Nil
Above 90 days	R430 377	R430 377	R580 559
TOTAL	R 430 377	R 430 377	R 580 559

Abattoir

NAME	MARCH 2009	DEC 2008	SEP 2008
Current	R23 267	R66 854	R 105 679
30 – 60 days	R13 140	R58 979	R 63 945
60 – 90 days	R20 456	R47 954	R 67 406
Above 90 days	R323 369	R209 828	R 57 268
TOTAL	R 380 232	R 383 615	R 294 298

There are three Abattoir account holders, namely, JFC, Vaalwater Butchery and Major Meat who lodged disputes against their accounts. Their cases are currently handled by our Legal Section to recover the outstanding amounts above 90 days. The dispute with Vaalwater Butchery has been resolved and outstanding debt will be written off against a damaged meat claim.

CREDITORS

The total creditors outstanding are R255 361.00 All creditors are current.

STAFF IMPLICATION

None

FINANCIAL IMPLICATION

See Annexures A to H

OTHER PARTIES CONSULTED

Divisional Managers: Budget & Treasury Office

ANNEXURES

Monthly Financial Report for the month ending 31 March 2009.

ANNEXURE A

Annexure A refers to Revenue per revenue source and explanations are attached after Annexure A.

ANNEXURE B

Annexure B refers to Expenditure per vote and explanations are attached after Annexure B.

ANNEXURE C: CAPITAL EXPENDITURE PER IDP

Annexure C refers to the IDP for the current financial year. The report indicates that 41.13% of the funds allocated for the IDP are spent.

ANNEXURE D: REVENUE & EXPENDITURE IN RELATION TO SDBIP

Annexure D refer to the actual operating revenue, operating expenditure and IDP capital expenditure in relation to the projected operating revenue, operating expenditure and IDP capital expenditure in the approved 08/09 SDBIP.

ANNEXURE E: CAPITAL EXPENDITURE ON ROLL OVER

Annexure E refers to the rolled over projects. An amount of R38 118 096 was unspent as at 30 June 2008. The report indicates that 38.42% of the rolled over funds were spent.

ANNEXURE F: INVESTMENT PORTFOLIO

Council's total investment portfolio amounts to R117 000 000 as at 31 March 2009.

ANNEXURE G: ADJUSTED SDBIP CASH FLOW PROJECTIONS

Annexure G refers to the 08/09 cash flow projections which are adjusted for the changes in the Adjustment Budget.

ANNEXURE H: ADJUSTED SDBIP CAPITAL WORKS PLAN

Annexure H refers to the 08/09 capital works plan which is adjusted for the changes in the Adjusted Budget.

AUTHORITY

Municipal Finance Management Act, No 56 of 2003
Municipal Investment Regulation (GNR 308 of 1 April 2005)

RECOMMENDATIONS

1. That the report by the Chief Financial Officer regarding the quarterly financial report as at 31 March 2009 as contained in the agenda, be noted.
2. That the adjustments to the 08/09 SDBIP based on the 08/09 Adjustment Budget be approved.